

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6191

BILL NUMBER: HB 1019

NOTE PREPARED: Mar 5, 2004

BILL AMENDED: Mar 4, 2004

SUBJECT: Mechanical Bull Ride Simulators; Indoor Pyrotechnics.

FIRST AUTHOR: Rep. Ayres

FIRST SPONSOR: Sen. Landske

BILL STATUS: Enrolled

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: *Bull Ride Simulator:* This bill requires the adoption of rules regulating safety standards for mechanical bull ride simulators. The bill defines a "bull ride simulator" as a regulated amusement device.

Indoor Pyrotechnics: The bill requires the Fire Prevention and Building Safety Commission to adopt rules (1) for the issuance of permits for supervised public displays of fireworks; and (2) to implement a statewide code for the display of indoor pyrotechnics. It requires at least \$500,000 of personal injury and \$500,000 of property damage insurance coverage for a display of indoor pyrotechnics under certain circumstances.

Penalty Provisions: The bill provides the following for violations of the rules concerning display of indoor pyrotechnics: (1) A violation of the rules is a Class C infraction. (2) A reckless violation of the rules that results in serious bodily injury to a person is a Class A misdemeanor. (3) A knowing or an intentional violation of the rules that results in serious bodily injury to a person or a reckless violation of the rules that results in the death of a person is a Class D felony. (4) A knowing or an intentional violation of the rules that results in death is a Class C felony. The bill also makes conforming changes.

Effective Date: Upon Passage; July 1, 2004.

Explanation of State Expenditures: *Bull Ride Simulator:* To operate a bull ride simulator, the owner of the bull ride simulator must register the bull ride simulator with the Office of the State Building Commissioner not later than July 1, 2004, and demonstrate compliance with all of the insurance requirements for regulated amusement devices. The Office of the State Building Commissioner may experience an increase in costs associated with registrations. However, permit fees must be set at a level to cover administrative expenses.

If the Regulated Amusement Device Safety Board determines that additional safety standards specific to bull ride simulators are needed, subject to the approval of the Fire Prevention and Building Safety Commission, the Regulated Amusement Device Safety Board must adopt rules to establish equipment laws containing these additional safety standards for bull ride simulators by July 1, 2005. This provision will increase administrative expenses for the Fire and Building Services Agency. The agency should be able to absorb any additional expenses given its current budget and resources.

Indoor Pyrotechnics: This bill requires the Fire Prevention and Building Safety Commission to adopt rules for the issuance of permits for supervised public displays of fireworks and to implement a statewide code for the display of indoor pyrotechnics. These provisions will increase administrative expenses for the Department of Fire and Building Services, which provides administrative support to the Commission. The Department will absorb any additional administrative expenses associated with these provisions given its current budget and resources.

This bill also provides that it is the intent of the Indiana General Assembly that a standard known as *NFPA 1126, Standard for the Use of Pyrotechnics before a Proximate Audience, 2001 Edition*, published by the National Fire Protection Association, be incorporated into the Indiana Administrative Code (IAC). The bill also voids 675 IAC 22-2.2-25(b)(1), with respect to NFPA 1126. As a result of this provision, the Legislative Services Agency, which produces the IAC, will experience additional administrative expenses; however, the agency's budget currently provides for such administrative expenses.

Penalty Provisions: A Class C felony is punishable by a prison term ranging from two to eight years depending upon mitigating and aggravating circumstances. The average expenditure to house an adult offender was \$26,825 in FY 2002. (This does not include the cost of new construction.) If offenders can be housed in existing facilities with no additional staff, the average cost for medical care, food, and clothing is approximately \$1,825 annually, or \$5 daily, per prisoner. The average length of stay in Department of Correction (DOC) facilities for all Class C felony offenders is approximately two years.

A Class D felony is punishable by a prison term ranging from six months to three years or reduction to Class A misdemeanor depending upon mitigating and aggravating circumstances. The average length of stay in DOC facilities for all Class D felony offenders is approximately ten months.

Explanation of State Revenues: *Bull Ride Simulator:* A bull ride simulator may be operated without a valid regulated amusement device permit until July 1, 2005. Requiring operators of bull ride simulators to obtain a permit after this date will increase revenue generated by permit fees by an indeterminable amount. Fees range from \$100 to \$144. Fees would be deposited in the Fire and Building Services Fund and must be set at an amount that pays for the expenses of the program.

Penalty Provisions: If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class C felony is \$10,000. The maximum fine for a Class D felony is \$10,000. Criminal fines are deposited in the Common School Fund. If the case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund.

With respect to the Class C infraction, if additional court cases occur, revenue to the state General Fund may increase if infraction judgments and court fees are collected. The maximum judgment for a Class C infraction is \$500, which is deposited in the state General Fund. If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed. 70% of the court fee would be deposited in the state General Fund if the

case is filed in a court of record or 55% if the case is filed in a city or town court.

Explanation of Local Expenditures: *Indoor Pyrotechnics:* The bill requires at least \$500,000 of personal injury and \$500,000 of property damage insurance coverage for a supervised display of indoor pyrotechnics under certain circumstances. If the display is sponsored by a local unit, the local unit may be self-insured or may try to obtain the coverage which could increase local expenses. The local unit could also make the coverage an obligation of whoever is conducting the display, which is sometimes a volunteer fire department.

Penalty Provisions: If more defendants are detained in county jails prior to their court hearings, local expenditures for jail operations may increase. The average cost per day is approximately \$44.

Explanation of Local Revenues: *Penalty Provisions:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members. If additional judgments are entered and if the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund.

State Agencies Affected: Regulated Amusement Device Safety Board, the Fire Prevention and Building Safety Commission and Agency, Department of Fire and Building Services, Office of the State Fire Marshal; Legislative Services Agency; and the Department of Correction.

Local Agencies Affected: Local units; trial courts, local law enforcement agencies.

Information Sources: Mara Synder, State Fire Marshal's Office, 233-5341; Indiana Sheriffs' Association; Department of Correction.

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.